



RECORDATION NO. **18932** FILED 18932
AUG 15 1994 -3 10 PM
INTERSTATE COMMERCE COMMISSION

The David J. Joseph Company

August 11, 1994

Ms. Mildred Lee
Recordations Unit
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

Dear Ms. Lee

Enclosed is an original and one copy of the Memorandum of Railroad Equipment Lease Agreement dated as of July 25, 1994, between the following parties:

Lessor: The David J. Joseph Company
300 Pike Street
Cincinnati, OH 45202

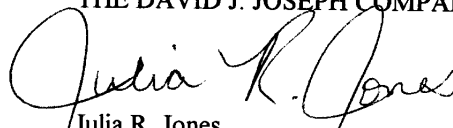
Lessee: Iowa-Illinois Gas and Electric Company
206 East Second Street
Davenport, IA 52808

Please see Exhibit A attached hereto, showing the equipment involved in this transaction.

Please file this agreement as a primary document. The amount of \$18.00 is included in the enclosed check.

Sincerely,

THE DAVID J. JOSEPH COMPANY


Julia R. Jones
Documentation Assistant

Enclosures

Railroad Equipment Leasing
and Marketing Division

300 Pike Street
Cincinnati, Ohio 45202-4214
(513) 621-8770
FAX (513) 345-4397

Mail Address:
P.O. Box 1078
Cincinnati, OH 45201-1078

AUG 15 1994 -3 10 PM

**MEMORANDUM OF
RAILROAD EQUIPMENT LEASE AGREEMENT**

THIS MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT ("Memorandum of Lease") made as of July 25, 1994 is intended to evidence the Railroad Equipment Lease Agreement dated as of May 16, 1994 (the "Lease"), between THE DAVID J. JOSEPH COMPANY, a Delaware Corporation (the "Lessor"), and IOWA-ILLINOIS GAS AND ELECTRIC COMPANY, an Illinois Corporation (the "Lessee"), for the purpose of satisfying the requirements of recordation with the Interstate Commerce Commission under Section 49 of U.S.C. 11303. Lessor has the right to lease the one hundred ten (110) railcars more fully described in Exhibit A, attached hereto (the "Units"). Lessee leased from Lessor all the Units at the rentals and upon the terms and conditions provided in the Lease.

IN WITNESS WHEREOF, Lessor and Lessee, each pursuant to due corporate authority, has executed this Memorandum of Lease on the date indicated below its signature.

LESSOR:

LESSEE:


THE DAVID J. JOSEPH COMPANY

IOWA-ILLINOIS GAS AND
ELECTRIC COMPANYBy: By: Title: Division Vice PresidentTitle: LANCE E. COOPER
Vice President
Finance and Chief
Financial OfficerDate: August 4, 1994

Date: _____

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

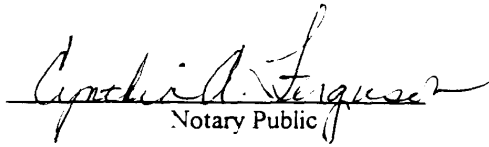
The foregoing instrument was acknowledged before me this 4th day of
August, 1994, by James H. Goetz, the Division Vice President of
The David J. Joseph Company, a Delaware corporation, on behalf of the corporation.



Notary Public
KATHY J. SHANER
Notary Public, State of Ohio
My Commission Expires June 7, 1997

STATE OF IOWA)
) SS
COUNTY OF SCOTT)

The foregoing instrument was acknowledged before me this 1st day of
August, 1994, by L. E. Cooper the Vice President-Finance and Chief Financial Officer of
Iowa-Illinois Gas and Electric Company, an Illinois corporation on behalf of the
corporation.




Notary Public


EXHIBIT A

To the Memorandum of Lease dated July 25, 1994 between The David J. Joseph Company and Iowa-Illinois Gas and Electric Company.

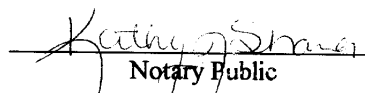
DESCRIPTION OF UNITS

One hundred ten (110), 1974 built, 100 ton, gondola railcars bearing reporting marks as follows:

LGSX 301	LGSX 377	LGSX 440	LGSX 499
LGSX 302	LGSX 382	LGSX 441	LGSX 502
LGSX 304	LGSX 385	LGSX 442	LGSX 510
LGSX 305	LGSX 386	LGSX 444	LGSX 512
LGSX 308	LGSX 394	LGSX 445	LGSX 514
LGSX 310	LGSX 396	LGSX 447	LGSX 518
LGSX 311	LGSX 397	LGSX 449	LGSX 520
LGSX 312	LGSX 402	LGSX 450	LGSX 521
LGSX 322	LGSX 403	LGSX 451	LGSX 522
LGSX 324	LGSX 404	LGSX 453	LGSX 524
LGSX 326	LGSX 405	LGSX 456	LGSX 525
LGSX 332	LGSX 407	LGSX 461	LGSX 534
LGSX 333	LGSX 408	LGSX 462	LGSX 537
LGSX 335	LGSX 409	LGSX 463	LGSX 539
LGSX 336	LGSX 411	LGSX 467	LGSX 542
LGSX 340	LGSX 412	LGSX 471	LGSX 545
LGSX 341	LGSX 413	LGSX 472	LGSX 548
LGSX 342	LGSX 415	LGSX 476	LGSX 556
LGSX 348	LGSX 418	LGSX 481	LGSX 559
LGSX 354	LGSX 421	LGSX 486	LGSX 563
LGSX 356	LGSX 423	LGSX 487	LGSX 565
LGSX 358	LGSX 424	LGSX 488	LGSX 566
LGSX 359	LGSX 425	LGSX 489	LGSX 567
LGSX 363	LGSX 427	LGSX 492	LGSX 568
LGSX 364	LGSX 428	LGSX 495	LGSX 569
LGSX 366	LGSX 432	LGSX 497	LGSX 574
LGSX 369	LGSX 433	LGSX 498	LGSX 578
LGSX 376	LGSX 437		

CERTIFICATE

The undersigned, Kathy Shaner, a notary public in and for the County of Hamilton, State of Ohio, hereby certifies that the copy of the document attached hereto has been compared with the original and that the undersigned has found the copy to be complete and identical in all respects to the original document.


Notary Public
KATHY J. SHANER
Notary Public, State of Ohio
My Commission Expires June 7, 1997